

mortgage. But in recent years, beginning back in the last 1970's, early 1980's, every...all the banks and S & L's started switching over to what's called a deed of trust. And the only difference between the two is that if you default in your payments, it's a little easier for the bank or the S & L, it's a little quicker for them to essentially foreclose upon the property. And at the time that we...that this change was going on in society, Senator Wesely, pursuant to a couple people in his district, said, look, we ought to execute another document at the closing saying that the buyers...the borrowers know that this is a deed of trust and not a mortgage. Well, the Legislature, probably rightfully, adopted that after some discussion in the early 1980's on the theory that this was a new thing coming about and therefore perhaps there was a need for some notification and for signing by the borrower that they knew it was a deed of trust and not a mortgage. And the kind of acknowledgement that they have to sign, and which is signed at every real estate closing, is the one I passed out to you. I wanted you to see exactly the form we're talking about. And what this amendment does is says that they no longer need to execute this form. And this is an amendment that I think is supported by everybody, and it's not going to hurt the consumers because now it's fairly standard practice in most areas of the state, if not in all, to be using the deed of trust. And there is really no practical point to having this document executed as another piece of paperwork in a real estate transaction. So, by...by adopting this amendment in a space of one year you will reduce probably around 60,000 pieces of paperwork, because one of these is executed at every real estate transaction. So we're trying to reduce the paperwork, it's supported by the Bankers Association and the S & L people. And I think that it does absolutely no harm to the consumer. I think altogether it would be good just to eliminate the requirement to execute this document at this point in time. That's the purpose of the amendment. Thank you, Mr. Speaker.

SPEAKER BAACK: Thank you, Senator Beutler. Senator Wehrbein.

SENATOR WEHRBEIN: Yes, Mr. Speaker and members, I am receptive and supportive of this amendment to the bill that I introduced and Senator Beutler wants to attach. It is related, it is something that I think is proper to do. As we've moved into a different stage of handling these...these areas, acknowledging mortgages versus deed of trust, we are primarily using deeds of trust today, so I accept the amendment as a friendly amendment.